Making changes to your annuity income

A guide for annuity partners and beneficiaries
You can use TIAA and CREF annuities to create an income for yourself in retirement. Follow this guide to learn more about how you can create and manage your income in a way that suits you.

Keep in mind:

- You don’t need to make any changes if you’re comfortable with the original owner’s income choices.
- If you’re a beneficiary, you may receive income for only a limited time—an important consideration as you make decisions about your income.
- You can always talk with us for help and more detailed information. TIAA financial consultants are available at 800-842-2252, weekdays, 8 a.m. to 10 p.m. (ET).
When an annuity owner passes away while receiving lifetime income, you may be able to receive that income.

If you’re the annuity partner in a two-life annuity—also called the second annuitant—you’ll receive income for as long as you live. Alternatively, if you’re a beneficiary under a one- or two-life option, you’ll receive income until the annuity’s guaranteed period ends.¹

In either case, you have the option to continue to receive income in the way the original annuity owner set it up. You can also consider other options, including:

- Transferring among annuity accounts (p. 2)
- Changing TIAA Traditional payment methods (p. 5)
- Changing how often your variable annuity income is revalued (p. 6)

Adjusting your income may help you:

- Lock in any gains from variable annuity accounts by moving to TIAA Traditional (a guaranteed account²)
- Diversify your income³
- Respond to current economic conditions
- Rebalance your asset allocation³

¹ Lifetime income options and all guarantees are based on TIAA’s claims-paying ability. If the original annuity owner chose a two-life option with a guaranteed period and you’re the beneficiary, you’ll receive income only if both the original annuity owner and annuity partner die during the guaranteed period.

² All guarantees are subject to TIAA’s claims-paying ability.

³ Diversifying or rebalancing doesn’t protect against loss or guarantee that an investor’s goals or objectives will be met.
Transferring among the TIAA and CREF annuity accounts

While you’re receiving annuity income, you can decide which of the TIAA and CREF accounts you want to use to receive income. Transfers are eligible:

- Among the nine variable annuity accounts
- From the variable annuity accounts to TIAA Traditional
- From TIAA Traditional to the CREF variable annuity equity accounts

Because you’re moving your annuitized assets among the available options, you don’t incur any fees or other charges. Be sure to consider the features of the different accounts before moving your assets.

Transferring among the TIAA and CREF variable annuity accounts

If you’re receiving income from a TIAA or CREF variable annuity account, your participation in the investment performance of that account is shown as “annuity units.” The value of those annuity units—and the income you receive from the variable annuity account—fluctuates based on the value of the account’s underlying investments.

If you choose to transfer among the variable annuity accounts, you sell annuity units from your original account at their current price and buy units in the new account at their current price.

You begin participating in the investment experience of the new account after the close of business on the transfer date. Depending on whether your income is revalued annually or monthly, your income will change the following May 1, or the next month.¹ (Income valuation is explained later in this guide.)

You can transfer among the variable annuity accounts on any business day, as frequently as once each calendar quarter.

¹ If you transfer after the 20th of the month (or the previous business day, if the 20th is not a business day), your income won’t change the next month, but will change in the subsequent month.
Transferring from the variable annuity accounts to TIAA Traditional

If you choose to transfer from a variable annuity account to TIAA Traditional, you sell annuity units in the variable annuity account based on their value on the transfer date. Then, you buy a payment stream in TIAA Traditional that provides a certain amount of guaranteed income plus the opportunity for more above the guaranteed rate, called “additional amounts.”¹

You can select TIAA Traditional’s graded payment method or standard payment method.² Both provide the same guaranteed amount. They differ in how they pay additional amounts (described in the next section).

If you transfer from a variable annuity account to TIAA Traditional, your new payment will reflect the performance of the variable annuity account through the transfer date, and then the current interest rate used to calculate annuity income from TIAA Traditional (including the guaranteed interest plus any additional amounts).³ Keep in mind that in a low-interest-rate environment, transferring from a variable annuity account to TIAA Traditional may reduce income.

You can transfer from a variable annuity account to TIAA Traditional on any business day, as frequently as once each calendar quarter.

¹ When declared, additional amounts are in effect for the “declaration year” which begins January 1; these amounts are not guaranteed for future years.
² Transfers to the graded method are only available if TIAA Traditional’s total payout rate (guaranteed rate plus additional amounts) is 4% or higher.
³ If you transfer after the 20th of the month (or the previous business day, if the 20th is not a business day), your income won’t change the next month, but it will change in the subsequent month.
Transferring from TIAA Traditional to the CREF variable annuity equity accounts

You can choose to convert a portion of your TIAA Traditional income to income from the CREF variable annuity equity accounts: CREF Stock, Social Choice, Global Equities, Equity Index and Growth accounts. You can make transfers in two ways:

1. Up to 20% of your TIAA Traditional payout annuity to the CREF equity accounts each year

   OR

2. Your entire TIAA Traditional payout annuity to the CREF equity accounts in equal installments over five years

This transfer option may be useful if the original annuity owner was receiving all retirement income from TIAA Traditional.¹ It offers the option to both diversify income and participate in the growth potential offered by equity markets.

Of course, returns from equities fluctuate, which means income from a CREF variable annuity account can increase or decrease.

Please note: If you’re the beneficiary of a fixed period annuity, please call us at 800-842-2252 for information on the transfers available to you.

¹ Most likely with post-2000 vintages of TIAA Traditional.
After transferring income from TIAA Traditional to any of the CREF equity accounts, you can later choose to transfer income among the CREF equity accounts as frequently as once each calendar quarter. However, you can’t transfer back to TIAA Traditional or to the non-equity variable annuity accounts (i.e., TIAA Real Estate, CREF Money Market, CREF Bond Market and CREF Inflation-Linked Bond accounts).

Transferring from TIAA Traditional’s graded payment method to the standard payment method

If the original annuity owner was receiving income under TIAA Traditional’s graded payment method, you can switch to the standard payment method.

- Graded: Receiving part of TIAA Traditional’s additional amounts and TIAA investing the rest to potentially increase your income later
- Standard: Receiving the full additional amounts with each payment

By doing this, you may see an increase in your income, but you also may lose the potential for larger future increases. TIAA Traditional’s additional amounts are not guaranteed and are subject to change in the future. Your income may change as of every January 1.

You can change from the graded to the standard method on any business day, as frequently as once each calendar quarter. You can’t, however, move from the standard to the graded method.
Changing how often variable income is revalued

If the original annuity owner was receiving variable annuity income, it was revalued either once a year or every month. You can decide whether you want to keep to that revaluation schedule.

You also have the option to:

- Have all your income revalued monthly or annually

  OR

- Have a portion changed annually and the rest changed monthly

Annually revalued income

We adjust your income every May 1 to reflect the performance of the variable annuity account(s) compared to the 4% assumed investment return (AIR) for the prior 12 months, ending the last business day in March. If earnings from a particular account are greater than 4%, your income from that account will typically increase; if earnings are less than 4%, your income will usually decrease.

Monthly revalued income

We revalue your income on the 20th of each month (or the previous business day, if the 20th is not a business day). We adjust your income on the first of each month to reflect the variable annuity account’s performance for the previous month compared to the 4% AIR. If annualized earnings from a particular account are greater than 4%, your income from that account will typically increase; if annualized earnings are less than 4%, income will generally decrease.
You can switch between these two revaluation methods once a year. Any change you make is effective as of the close of business (4 p.m. ET or the close of the New York Stock Exchange) on the last business day in March.

Keep in mind that by switching between annual and monthly revaluation, you continue to receive income from the same variable annuity account; you simply change the way your income is paid from that account. As you evaluate these options, consider the frequency that fits your needs and preferences for receiving your income.

For example, you may want to keep in mind that annual revaluation can help with budgeting since your monthly payment will be fixed for 12 months at a time. However, the change from one year to the next may be significant. Alternatively, with monthly revaluation, changes in income will likely be less dramatic, although budgeting can be more difficult since your amount will change each month.
**Naming a Trusted Contact**

TIAA is committed to helping you protect your accounts and information. One way to protect your interests is to appoint a Trusted Contact.

A Trusted Contact is someone over the age of 18 whom you know and trust. This person will serve as a point of contact should we have questions concerning your overall well-being, whereabouts, or if we suspect you may be the victim of fraud or exploitation. The individual(s) you select may not take any action on your account and will not replace or affect existing powers of attorney. You should notify those you appoint as Trusted Contacts.

To appoint your Trusted Contact(s), log in to your account at [TIAA.org](http://TIAA.org); go to *My profile*; click *Trusted Contacts*; and complete the required Trusted Contact information. You may also contact us at [800-842-2252](tel:800-842-2252) to request a form to name a Trusted Contact.

Please note that TIAA and its affiliates and representatives are authorized to contact your Trusted Contact(s) and disclose information about your account(s) to address possible financial exploitation, to confirm the specifics of your current contact information, health status, or the identity of any legal guardian, executor, trustee or holder of a power of attorney, or as otherwise permitted under FINRA Rule 2165. Except as is required by FINRA Rule 2165, TIAA is under no obligation to interact with the Trusted Contact.
TIAA is here to help

TIAA consultants are available to talk with you if you have questions or are interested in changing your income. Consultants are available at 800-842-2252, weekdays, 8 a.m. to 10 p.m. (ET).
This material is for informational or educational purposes only and does not constitute fiduciary investment advice under ERISA, a securities recommendation under all securities laws, or an insurance product recommendation under state insurance laws or regulations. This material does not take into account any specific objectives or circumstances of any particular investor, or suggest any specific course of action. Investment decisions should be made based on the investor’s own objectives and circumstances.

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Investment products may be subject to market and other risk factors. See the applicable product literature, or visit TIAA.org for details.

Under Texas law, the benefits of an annuity purchased under the Optional Retirement Program are available only if a participant attains the age of 70½ years or terminates participation in the program. For these purposes, a person terminates participation in the Optional Retirement Program, without losing any accrued benefits, by:
(1) death; (2) retirement; or (3) termination of employment in all Texas public institutions of higher education.

You should consider the investment objectives, risks, charges, and expenses carefully before investing. Please call 877-518-9161 or go to TIAA.org for underlying product and fund prospectuses that contain this and other information. Please read the prospectuses carefully before investing.

You could lose money by investing in the Money Market Account. Because the accumulation unit value of the Account will fluctuate, the value of your investment may increase or decrease. An investment in the Account is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The Account’s sponsor has no legal obligation to provide support to the Account, and you should not expect that the sponsor will provide financial support to the Account at any time.

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